Explanation of Changes Reflected in the Chairman's Amendment in the Nature of a Substitute

(Compared with H.R. 2810, Medicare Patient Access and Quality Improvement Act of 2013, as introduced)

December 11, 2013

The Chairman's amendment in the nature of a substitute modifies H.R. 2810. It strikes all after the enacting clause and inserts the following:

Section 1 -- Inserts a new Table of Contents, and states that the Act may be cited as the "SGR Repeal and Medicare Beneficiary Access Act of 2013."

Section 2 -- Repeals the Sustainable Growth Rate (SGR) and provides a 0.5 percent payment update through 2017 and maintains stable payments through 2023. In 2024, all Medicare professionals would be provided annual updates of one percent; those in alternative payment models (APMs) would receive two percent. Section 2 also consolidates and improves all existing physician payment incentive programs into a new single Value-Based Performance Incentive Program (VBP), under which high-performing professionals earn additional payment increases. Section 2 also requires additional research and recommendations on how to improve risk adjustment methodology to ensure that professionals are not penalized for serving sick or more costly patients. Section 2 provides a five percent bonus to professionals participating in APMs that meet certain requirements.

Section 3 -- Improves the development of quality metrics used in the VBP and APMs, supplementing those currently used by Medicare and aligning with those used in private sector programs and integrated delivery systems. Requires the Secretary of the Department of Health and Human Services (HHS) to finalize a plan to develop and prioritize measure development and annually report on the progress made against the plan. Provides funding for the development of quality measures that would be available to physician specialty societies and other organizations.

Section 4 -- Creates new care management service codes to enable billing for the care coordination and management of patients with chronic conditions outside of current annual wellness or other preventive physical examinations.

Section 5 -- Increases payment accuracy by improving the valuation of services under the physician fee schedule through the voluntary collection of information from physicians and professionals and other sources. Provides funding to compensate providers who submit data. Section 5 also establishes a target for the reduction of misvalued services. If the target is met, the amount is redistributed to other services within the physician fee schedule. Section 5 also requires the transition of fee schedule areas in California from county-based localities to Metropolitan Statistical Areas (MSAs).

Section 6 -- Requires the use of appropriate use criteria (AUC) developed or endorsed by physician specialty organizations for advanced diagnostic imaging through the use of clinical decision support (CDS) mechanisms. Directs GAO to study the use of these tools for other services, as appropriate.

Section 7 -- Improves data publicly available for beneficiaries regarding health care professionals. Professionals are able to review and correct information before it is made publicly available.

Section 8 -- Expands the ability of qualified entities (QEs) to make Medicare analyses and data available to physicians and others for the use in quality improvement and other activities. Section 8 also requires that Medicare claims data be made available to qualified clinical data registries for the use in quality improvement and patient safety activities.

Section 9 -- Allows professionals who opt out of Medicare to privately contract with beneficiaries to automatically renew at the end of each two-year cycle and creates a demonstration project related to billing by non participating physicians. Section 9 also requires that Electronic Health Records (EHR) be interoperable by 2017. Section 9 also provides that the development of any quality or clinical guideline in Medicare or through other laws cannot be construed to establish as standard of care or duty of care.